

Message Text

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12

ACTION EA-09

INFO OCT-01 ISO-00 NSCE-00 PM-04 NSC-05 SP-02 SS-15

CIAE-00 INR-07 NSAE-00 L-03 OMB-01 USPS-01 EB-07 /055 W

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R 100321Z JUL 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 7252

INFO SECDEF WASHDC

JCS WASHDC

CINCPAC HONOLULU

CINCPACAF

CINCPACFLT

CINCPACREPPHIL SUBIC

CG 13TH AF CLARK

C O N F I D E N T I A L MANILA 10020

CINCPAC ALSO FOR POLAD

FROM USDEL 104

E.O. 11652: GDS

TAGS: MARR, RP

SUBJECT: PHILIPPINE BASE NEGOTIATIONS: POST OFFICES AND LOCAL
PROCUREMENT

REF: MANILA 9841 (USDEL 089), DTG 080122Z JUL 76

1. SUMMARY: AT 8 AND 9 JULY WORKING GROUP SESSIONS, PHIL
REP INDICATED PROBABLE PHIL WILLINGNESS TO ACCEPT U.S.
PROPOSALS ON MILITARY POST OFFICES AND LOCAL PROCUREMENT
AS SET OUT REFTEL WITH MINOR FORMAT AND WORDING CHANGES.
END SUMMARY.

2. PHIL REP AGREED TO PARAS 1 AND 2 OF U.S. WORKING DRAFT
IN REFTEL. HE AGREED TO SUBSTANCE OF PARA 3 BUT PREFERRED
FORMAT AGREED IN 1971-72 NEGOTIATIONS, WHEREBY TEXT ONLY
SPECIFIED THAT PHIL CUSTOMS INSPECTORS MAY INSPECT APO
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MAIN "IN ACCORDANCE WITH AGREED PROCEDURES", AND THE

ACTUAL PROCEDURES ARE SET OUT IN A CONTEMPORANEOUS NOTE.

U.S. REP SAW NO REASON TO OBJECT THIS FORMAT. BOTH SIDES THEN AGREED TO REFTEL ARTICLE TO THEIR GOVERNMENTS FOR APPROVAL. PROPOSED ARTICLE WOULD NOW READ:

QUOTE: 1. THE UNITED STATES MAY, IN COORDINATION WITH THE APPROPRIATE PHILIPPINE BASE COMMANDER, ESTABLISH, MAINTAIN AND OPERATE IN THE FACILITIES DESIGNATED FOR ITS USE, UNITED STATES POST OFFICES FOR THE EXCLUSIVE USE OF THE UNITED STATES FORCES, MEMBERS OF THE UNITED STATES FORCES OR THE CIVILIAN COMPONENT, OTHER UNITED STATES GOVERNMENT AGENCIES AND THEIR PERSONNEL, AND THE DEPENDENTS OF THE FOREGOING CATEGORIES OF PERSONNEL, FOR THE TRANSMISSION OF MAIL BETWEEN THE UNITED STATES POST OFFICES IN THOSE FACILITIES AND BETWEEN SUCH POST OFFICES AND OTHER UNITED STATES POST OFFICES.

"2. THE UNITED STATES GOVERNMENT MAY OFFER LIMITED USE OF THE UNITED STATES POST OFFICES TO DEPENDENTS RESIDING IN THE PHILIPPINES OF MEMBERS OF THE UNITED STATES FORCES WHO ARE STATIONED OUTSIDE THE PHILIPPINES.

"3. NON-OFFICIAL PARCELS ENTERING THE PHILIPPINES THROUGH UNITED STATES POST OFFICES ESTABLISHED UNDER THIS ARTICLE MAY BE EXAMINED BY PHILIPPINE CUSTOMS INSPECTORS IN ACCORDANCE WITH AGREED PROCEDURES. END QUOTE.

3. THE CONTEMPORANEOUS NOTE ON POST OFFICES WOULD FOLLOW THE 1971-72 TEXT VERBATIM, WITH SLIGHT MODIFICATIONS OF CUSTODY PROCEDURES FOR PROHIBITED ARTICLES AS DISCUSSED REFTEL. NOTE WOULD READ:

(COMPLIMENTARY OPENING)

QUOTE: IT IS PROPOSED THAT THE "AGREED PROCEDURES" REFERRED TO IN THE THIRD PARAGRAPH OF ARTICLE XVI OF THE AGREEMENT SHALL BE AS FOLLOWS:

"1. EXAMINATION OF NON-OFFICIAL PARCELS IN THE UNITED STATES MILITARY POST OFFICE MAILS IN THE REPUBLIC OF THE PHILIPPINES BY CUSTOMS INSPECTORS OF THE REPUBLIC OF THE PHILIPPINES WILL BE CONDUCTED SO AS NOT TO DAMAGE THE CONTENTS OF THE PARCELS INSPECTED, UNDULY DELAY DELI-
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VERY OF THE MAIL, OR UNDULY INCREASE THE ADMINISTRATIVE BURDEN OF THE POSTAL AUTHORITIES.

"2. SUCH EXAMINATIONS WILL BE CONDUCTED IN UNITED STATES MILITARY POST OFFICE INSTALLATIONS ON THE FACILITIES IN THE PRESENCE OF UNITED STATES OFFICIALS.

"3. NO PARCEL WILL BE REMOVED FROM UNITED STATES

POSTAL CHANNELS EXCEPT AS AGREED. SHOULD THE EXAMINATION REVEAL, IN THE VIEW OF THE PHILIPPINE CUSTOMS AUTHORITIES, THAT A PARCEL CONTAINS PROHIBITED ARTICLES, UNITED STATES POSTAL AUTHORITIES SHALL RETAIN CUSTODY OF THE PARCEL AND SHALL PROVIDE THE PHILIPPINE CUSTOMS AUTHORITIES WITH A RECORD OF ITS RETENTION. IF ANY PARCEL THUS RETAINED IS NEEDED AS EVIDENCE IN PHILIPPINE JUDICIAL PROCEEDINGS, THE PROVISIONS OF ARTICLE XIV OF THE AGREEMENT SHALL APPLY; OTHERWISE, PHILIPPINE CUSTOMS AUTHORITIES AND THE UNITED STATES POSTAL AUTHORITIES SHALL MAKE ARRANGEMENTS FOR THE DISPOSITION OF ANY PARCELS SO RETAINED. ANY DISPUTES AS TO THE PROPER DISPOSITION OF A RETAINED PARCEL WILL BE REFERRED TO THE PHILIPPINE BASE COMMANDER AND THE UNITED STATES FACILITIES COMMANDER FOR THEIR JOINT RESOLUTION.

"4. IT IS UNDERSTOOD THAT THE RIGHT OF INSPECTION WILL BE EXERCISED ON A "SAMPLE" CHECK BASIS. END QUOTE (COMPLIMENTARY CLOSE).

4. WITH RESPECT TO LOCAL PROCUREMENT, PHIL REP'S ONLY OBSERVATION ON WORKING DRAFT IN REFTEL WAS DESIRE FOR MORE POSITIVE STATEMENT ON CONSULTATION. HE AGREED THAT PROVIDING FOR CONSULTATIONS AT THE INITIATIVE OF EITHER PARTY WOULD SATISFY THIS NEED. PROPOSED ARTICLE WOULD READ:

QUOTE: 1. THE UNITED STATES SHALL, TO THE EXTENT FEASIBLE AND CONSISTENT WITH SUCH FACTORS AS TIMELINESS, COST, QUALITY AND REQUIREMENTS OF UNITED STATES LAWS AND REGULATIONS, PROCURE FROM PHILIPPINE SOURCES MATERIALS, SUPPLIES, AND SERVICES FOR UTILIZATION IN THE FACILITIES DESIGNATED FOR UTS USE.

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"2. PHILIPPINE AND UNITED STATES AUTHORITIES SHALL, AT THE INITIATIVE OF EITHER, CONSULT TO CONSIDER MEASURES BY WHICH THE UNITED STATES MAY MAXIMIZE ITS PROCURMENT FROM PHILIPPINE SOURCES UNDER THIS ARTICLE. END QUOTE.

5. ON PROCUREMENT, U.S. REPS FURTHER NOTED THAT U.S. BASE EXCHANGE OFFICERS WOULD LIKE TO PURCHASE MANY LOCALLY PRODUCED ITEMS BUT WERE PREVENTED FROM DOING SO BY PHIL BUREAUCRACY'S FAILURE TO CATEGORIZE SALES TO BASES AS EXPORT SALES WHICH PERMIT MANUFACTURER TO GAIN MANY TAX INCENTIVES. PHIL REP ACKNOWLEDGED A LARGE PART OF THE PROBLEM WAS AN INTERNAL PHIL ONE.

6. REQUEST AUTHORITY TO TABLE AND AGREE ON TEXTS SET

OUT ABOVE.
SULLIVAN

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NNN

Message Attributes

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